

IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH

CWP No.1419 of 2006
Date of Decision: 24.10.2006

Gurnam Singh and others

Petitioners

versus

Punjab National Bank

Respondents

CORAM:- **HON'BLE MR. JUSTICE JASBIR SINGH**

HON'BLE MR. JUSTICE PRITAM PAL

Present: Shri Varun Gupta, Advocate for the petitioners
Shri O.P.Narang, Advocate for the respondent

Jasbir Singh, J. (Oral)

By filing this writ petition, the petitioners have laid challenge to the notice dated 6.10.2005 (Annexure P/2), issued by the Bank, vide which, they were asked to pay an amount of Rs.4,76,080/- along with interest. Before this Court, it is contention of the petitioners that they are poor farmers and the loan was raised for purchase of a tractor, as such, it is not open to the Bank, to charge interest @ 11.25% per annum. When this matter came up for hearing before this Court on 10.10.2006, following order was passed:-

“Mr.Narang is directed to put on record the calculation of the amount due from the petitioner, as per one time settlement, on the next date of hearing. Adjourned to October 24, 2006. The Branch Manager of the concerned Bank is directed to come present on that date.”

Officiating Manager of the Bank is present in Court. Shri Narang has placed on record, a copy of the communication dated 20.10.2006, to say that by granting benefit under the one time settlement scheme, the Bank shall recover an amount of Rs.2,21,232/- only, instead of Rs.3,25,748/-. He has also placed on record accounts statement. We feel that the stand taken by the Bank is very fair.

This writ petition is disposed of and it is ordered that out of the amount claimed by the Bank i.e. Rs.2,21,232/-, the petitioners shall pay 1/3rd of the same, within two months from today and the remaining amount shall be paid by them in two equated installments within next four months i.e. each installment be paid after two months. Keeping in view a fact that the petitioners are the farmers, they have mortgaged their land when loan was raised to purchase a tractor, we direct that the Bank shall not charge future interest on the amount, referred to above. However, it is made clear that if the petitioners failed to make the payment, as per above schedule, the Bank shall be at liberty to take action as per law and the concession given by the Bank shall be deemed to have been withdrawn.

(Jasbir Singh)
Judge

October 24, 2006
gk

(Pritam Pal)
Judge